

**APPRAISAL
OF THE
MARKET VALUE
OF**

**Ram Terminal Site
on the Mississippi River
Plaquemines Parish, LA**

FOR

**Mr. Maynard J. "Sandy" Sanders
Executive Director
Plaquemines Port Harbor and Terminal District
9063 Highway 23
Belle Chasse, LA 70037**

BY

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December 7, 2017

Our File No. 17-01

Mr. Maynard J. "Sandy" Sanders
Executive Director
Plaquemines Port Harbor and Terminal District
9063 Highway 23
Belle Chasse, LA 70037

Re: Ram Terminal Site
Myrtle Grove, LA

Dear Mr. Sanders:

In response to your request and following inspection of the subject property, I herewith submit my appraisal of the estimated market value of the above captioned parcel of land fronting on the right descending bank of the Mississippi River and Highway 23 in Myrtle Grove, Louisiana.

As presently configured, the subject site contains a gross area of 598.6 acres; 550 acres net of batture, levee and road right of way areas. The site has 6,500 linear feet of contiguous frontage (batture) along the river. The upriver 50% has a good hydrographic profile; the downriver 50% is negatively impacted by a pressure eddy and its batture is very wide. This component is marginal in utility and, as a consequence, value.

Purpose of the Report

The purpose of this report is to estimate the market value of the property rights identified in the subject property. **Market Value**, as used herein, is defined as: "The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus." United States Treasury Department, Office of Comptroller of the Currency, 12 CFR Part 34, Subpart C, § 34.42(f), 08/24/90.

Property Rights

The valuation contained herein is of the fee simple. **Fee Simple**, as used herein, is defined as: "An absolute fee; a fee without limitations to any particular class of heirs or restrictions, but subject to the limitations of eminent domain, escheat, police power, and taxation. An inheritable estate."

INTENDED USE OF THE REPORT

This report has been prepared for the sole and exclusive use of the client, Mr. Maynard Sanders, and to evaluate investment/disposition options.

Ownership of Record

Ram Terminals, LLC

Effective Date of Appraisal

December 7, 2017

Scope of the Report

The purpose of an appraisal is to assess certain physical, financial and legal aspects of a particular property, together with competing properties, area demographics and the forces of supply and demand, to make a determination of highest and best use as it is this use which dictates the selection of the comparable and to estimate the market value of the property rights being considered.

An appraisal is defined in the *Uniform Standards of Professional Appraisal Practice* (USPAP) as: "(Noun) the act or process of developing an opinion of value; an opinion of value. (Adjective) of or pertaining to appraising and related functions such as appraisal practice or appraisal services."

An appraisal is not an economic or feasibility analysis, title opinion, ground survey, environmental study, engineering or geologic analysis, or an analysis of mineral rights. It is beyond the scope of this report to expect the appraiser to:

- 1) Hire an attorney to check the title to the property and discover any defects in the title, or any lessening of the "fee simple" rights caused by deed restrictions, leases, mineral leases and/or surface rights, easements, right of ways, etc. Only those noted in this report are considered. The existence of such restrictions beyond those noted in the report may be cause for reconsideration of the value conclusion.
- 2) Hire an engineer to survey the property to ascertain exact dimensions, areas, and boundaries.
- 3) Hire an expert to perform soil borings and/or analysis to determine the adequacy of the load bearing capacity or fertility of the soil, or existence of jurisdictional wetlands.
- 4) Hire an expert to discover the existence of any structural defects, or hazardous materials on, under, near or within the property.

For the purposes of this report, the work "inspect" means "...visit; look over...". The purpose of the appraiser's inspection is solely to observe property characteristics relative to the property valuation. The appraiser does not perform an inspection of the structure, or operating systems. Only readily observable conditions are noted. The appraiser does not perform "invasive" inspection methods (not even to the extent of looking "under or on top of" property components). The inspection is not technically exhaustive and does not offer warranties or guarantees of any kind.

Scope of work is defined in the *Uniform Standards of Professional Practice* (USPAP) as: "the type and extent of research and analysis in an assignment". The scope of work includes:

- 1) Identification of the appraisal problem
- 2) The extent to which the property is inspected
- 3) The type and extent of data research, and
- 4) The type and extent of analysis applied to arrive at opinions and conclusions.

Reporting Data

The appraisal report, as presented herein, contains two major sections which are described below. The manner in which the material will be presented and analyzed is discussed at greater length throughout the report. Please note that any and all *Assumptions and Limiting Conditions* will be listed in the section of the report with that title.

Subsequent to a brief outline of the underlying factors upon which this appraisal has been prepared, the first phase of the report contains an identification of the subject property and a review of the subject's three-year past history of sales. A *Metropolitan Analysis* sets forth the relationship of the city and neighborhood to the subject property. The site and subject improvements, their construction features, condition and depreciation, are described in detail. The subject's zoning classification and its implementations, and the subject's conformity thereto, are presented. The subject's real estate assessment, levy and parity are discussed.

The second phase of the report contains the appraiser's analyses of those factors considered pertinent in the estimation of the value of the subject property and the conclusions reached as a result thereof. A discussion of the highest and best use of the land, if vacant, and the property is also presented. There are six procedures in *Site Valuation*. When sufficient vacant land sales are available, the *Sales Comparison* procedure is the most common and preferred method. Three methods may be utilized in estimating the value of the subject property. The three methods are described as follows:

1. **THE COST APPROACH:** In this approach, the depreciated value of the improvements is calculated, to which is added the value of the land as vacant.
2. **THE SALES COMPARISON APPROACH:** In this approach, also called the *Market Data Approach* and the *Direct Sales Comparison Approach*, the appraisers research the market for similar sales that can be compared to the subject property and, after adjusting for significant differences, arrive at an estimate of value for the property under appraisal.
3. **THE INCOME APPROACH:** This approach considers the net income the property is capable of generating and then capitalizes that income into a value estimate via utilization of an appropriate capitalization rate as found in the marketplace or calculated based upon investor expectations.

In all of the approaches, the most important source of data is the marketplace. This applies not only to comparable sales, but also in the determination of rent levels, vacancy rates, expenses, capitalization rates, equity dividend rates and in estimating construction costs and accrued depreciation and remaining economic life. For the purpose of this report, only the *Sales Comparison Approach* and *Income Approaches* will be developed.

The value indications obtained in utilizing these methods are subsequently reconciled and a final value estimate for the subject property is set forth.

The scope of work (type and extent of research and analysis) employed in this appraisal is based on what is required to produce creditable assignment results in the context of the intended use. Creditable results are defined as being "worthy of belief"; credible assignments results required support by relevant evidence and logic, to the degree necessary for the intended use. Further, the results must be compatible with

expectations of the appraiser's peers in performing the same or a similar assignment. The appraiser's peers are defined as "other appraisers who have expertise and competency in a similar type assignment".

Appraisal Problem

The subject of this report is a vacant tract of land fronting on the right descending bank of the Mississippi River and State Highway 23 in Plaquemines Parish, Louisiana. Given the current physical status of the property, only the *Sales Comparison Approach to Value* is considered applicable and will be employed. This firm is quite involved in industrial activity along the Mississippi River acting in the capacity as broker and/or consultant. In that capacity, a data base of transaction activity is maintained that included not only information on a particular transaction that is a matter of public record but also background information on negotiations leading up the consummation of the transaction.

Other transactions, due to confidentiality issues, cannot be disclosed, but do provide a broader understanding of the motivation of market participants, particularly in South Plaquemines Parish.

Identification of the Subject Property

Tracts A1A & A1B, HPS Development LLC division - Tract A1A, 416.07' front on Hwy 23 x 1,057.83' x 416' x 1,050.17' (10.07 ac). Tract A1B, 1,054' front on Ravenna Rd x 102.66' x 186.13' x 55.28' x 222.20' x 1,394' x 358.55' x 220.80' x 408.24' x 3,947.35' (15.34 ac). Above by Citrus Lands of LA & Miss River Grain Elevator, Inc. & below by LA Power & Light Co.

Tract R1, Louisiana Power & Light Co division, being a portion of a re-s/d of Tract 1 - 156.66' front on hwy 23 x 1,697.67' front on hwy 23 x 538.03' front on hwy 23 x 2,458.59' front on hwy 23 x 860.80' front on hwy 23 x 857.34' front on hwy 23 x 112.86' x 157.50' x 484.17' x 705.04' x 639.38' x 236.54' x 236.48' x 121.70' x 567.17' x 4,101.99' x 275.42' x 275.31' x 759.98' x 194.91' x 195.83' x 200.28' x 199.76' x 200.02' x 200' x 200.01' x 200' x 200.01' x 200' x 200.01' x 200' x 200.02' x 200.20' x 201.44' x 201.44' x 200.03' x 236.37' x 81.79' x 198.79' x 230.81' x 96.95' x 200.59' x 198.94' x 200' x 185.78' x 187.54' x 195.14' x 187.56' x 214.43' x 220.45' x 201.64' x 161.13' x 198.92' x 96.12' x 186.04' x 164.36' x 92.22' x 1,530.31' x 663.54' x 595.45'.

History of the Subject Property

The subject site was acquired by the current owner in the following transaction. The acquisition called for the development of an export coal terminal. As a result of opposition and changes in the commodity markets, those plans never materialized and the site remains idle.

LOCATION:	Fronts the east line of Louisiana Highway 23 south of West Ravenna Road and the Mississippi River at River Mile #61 near Myrtle Grove, Louisiana
DATE:	May 26, 2011
RECORDATION:	Page 1246/Page 881, Plaquemines Parish, LA
VENDEE:	Ram Terminals, LLC (Randall Atkins)
SALE PRICE:	\$25,000,000

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TERMS:

All Cash to Seller

LEGAL DESCRIPTION:

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LAND AREA:

"Gross"-598.60 acres-"Net"-550.00 acres (excluding "batture"/ levee and road right-of-way areas)

RIVER FRONTAGE:

±6,500 linear feet

TOPOGRAPHY:

Generally level; however, same is generally in need of clearing (lightly wooded) and some fill prior to any site utilization.

REMARKS:

This is the sale of a ±599 acre parcel of land with extensive frontage on both the Mississippi River and Louisiana Highway 23. The property's highest and best use is judged to be for development with an industrial plant and/or terminal facility (i.e., chemical, petroleum, etc.). ±550 acres of the site, as oriented between Louisiana Highway 23 and the Mississippi River levee, constitutes usable "uplands".

This property's "Batture" is somewhat varied in functionality, the "upriver" 50% has a good hydrographic profile; the downriver 50% of this property's river frontage is negatively impacted by a pressure eddy and its "batture" is very wide;

accordingly, this component of subject "batture" is marginal in utility/value.

ALLOCATION OF SALE PRICE:

"Batture" Parcel (±3,250 L.F. x \$500/L.F. and 3,250 L.F. x \$50/L.F.; see Remarks)	\$ 1,787,500
"Upland" Parcel (±550 Acres x \$42,205/Acre)	\$ 23,212,500
Total	\$ 25,000,000

A number of recent articles highlight some of the controversy that has followed the RAM project. A Sierra Club press release on May 4, 2016 presented the following overview of the project from the perspective of that organization.

Plaquemines and Jefferson parish leaders and residents scored a key victory toward preserving their coastal communities from the proposed RAM export terminal when the [Louisiana Department of Natural Resources' \(DNR\) decided to reconsider a coastal use permit](#). Coastal communities, who have been fighting for more than two years for their livelihoods and future have successfully united, for the first time, state leaders against the out-of-state proposed coal export facility.

The proposal has been controversial not just among residents. In March, DNR re-issued RAM Terminals, LLC a coastal use permit after a state judge from the 25th Judicial District Court revoked RAM Terminals' previously granted coastal use permit in late 2014. The court, having determined that DNR illegally issued the permit to RAM terminals, ordered the company to re-submit the permit application with more extensive analysis. The Plaquemines Parish Council denied RAM a building permit in 2015, and Jefferson Parish, the City of Gretna and the City of Westwego passed resolutions citing concerns with harmful air and water pollution, the destruction it would cause to coastal wetlands and restoration projects and calling for a comprehensive environmental analysis of the proposed coal export terminal.

"I thank Secretary Harris for standing with local leadership in Plaquemines Parish," said Audrey T. Salvant, Plaquemines Parish Councilwoman. "The wellbeing and safety of Ironton, Wood Park, Myrtle Grove and neighborhoods throughout Plaquemines Parish and coastal protection must come before the interests of an out-of-state coal export facility."

The proposed plan would harm an important coastal restoration project in the region, the Mid-Barataria Sediment Diversion, and fails to recognize the disproportionate risk of pollution facing the nearby historic African American community of Ironton. The proposal also relies on a beleaguered and ever-diminishing international coal market for economic justification.

"Our economy and livelihoods depend on coastal restoration and RAM could undermine important restoration work being done to protect our communities," said Ricky Templet, Jefferson Parish Councilman. "It's time for our state to stand behind its commitment to coastal restoration and reject this project once and for all."

The terminal would be the first facility in the area directly connected to rail. The facility's construction and operation would result in mile-long, uncovered coal trains running through surrounding neighborhoods, and turning residential areas into an industrial corridor. West Bank communities

expressed concerns over RAM's proposed rail line -- which would usher in coal dust pollution and pose a risk to nearby homes and families.

"We don't want our homes shaken by train traffic and covered in coal dust blowing off the trains," said Gayle Bertucci, a resident of Gretna. "The risks are simply too high for our communities, with essential emergency response facilities potentially cut off by the rail lines. It has been long enough. It's a relief that new leadership with the Department of Natural Resources is taking our concerns seriously."

In April, Peabody Coal, the world's largest coal mining company, filed for bankruptcy. For market watches across the globe, this was a decisive moment in the long decline of the industry. RAM has failed to submit an economic justification of its proposal. To date, RAM has not refuted the consensus financial industry analysis that the market for U.S. coal is in decline.

A *Times Picayune* article on May 16, 2017 discusses the RAM project as it relates to the Coastal Protection and Restoration Authority (CPRA) plans for a sediment diversion structure.

Six years ago, as Louisiana officials were developing plans for the most expensive coastal restoration project in the state's history, they ran into a problem. At the exact 602-acre spot along the Mississippi River where they wanted to build the \$1.3 billion Mid-Barataria sediment diversion structure, a company called RAM Terminals bought the property, with plans to erect a dock and storage yard for exporting coal.

A study for the Coastal Protection and Restoration Authority concluded that the terminal would reduce the efficiency of the restoration project, from 3 percent to as much as 17 percent. But RAM Terminals already owned the land, so state officials cut a deal:

Louisiana would tell the company in advance when it planned to open the diversion structure, and in turn RAM Terminals would be fined \$26,000 for every day that the state wanted to open the diversion and that RAM kept a ship at the dock. The maximum annual fine is \$1.9 million.

The memorandum of agreement received little public attention at the time it was signed in 2013 by a RAM official and the coastal authority's executive director, Jerome Zeringue, who is now a member of the state House of Representatives. But the terms still stand, a coastal authority official said this month, and the agreement was recently the subject of sharp criticism when the Sierra Club submitted a public comment on the coastal authority's 2017 master plan.

Environmental advocates say the agreement calls into question Louisiana's ability to balance the needs of coastal restoration with that of industry. "The bottom line is that the state is investing billions upon billions of dollars on coastal restoration efforts, and it's just ridiculous that we would allow an outside company to threaten these efforts to build this or any other facility," said Raleigh Hoke, campaign director for the Gulf Restoration Network.

The coal terminal still has not been permitted by Louisiana's Department of Natural Resources, much less built, and the latest projections for the Mid-Barataria sediment diversion project don't envision its construction starting before 2022. Still, the existing agreement illustrates the challenges that Louisiana faces in the next 50 years as it tries to rebuild and save the bottom third of the state while simultaneously working around, or with, landowners, residents and businesses.

The Mid-Barataria sediment diversion would punch a hole in the Mississippi River's West Bank levee near the communities of Ironton and Myrtle Grove, on the east bank of Plaquemines

Parish, and install a gate that could be opened into a new channel leading from the river to Barataria Bay. It is the state's most ambitious project to restore the coast.

When the river is high, the gate would be opened to let river water, dirt and sand flow into the Barataria Basin. Over 50 years, state officials say, the project could deliver 100 million to 200 million tons of sediment, creating about 30,000 acres of new land.

RAM Terminals could interfere, however. The company sought a Department of Natural Resources permit to build a terminal where coal from rail cars and upriver barges could be unloaded. The coal would be stored on site then loaded onto ocean-going ships for export.

If the terminal were built and a loading barge were in place, the sediment moving in the Mid-Barataria diversion project would be reduced 3 percent, according to the coastal authority's study, undertaken by The Water Institute for the Gulf. If, in addition, a ship with a 40-foot draft were docked at the terminal when the diversion is opened, the study says, the sediment load would fall 17 percent.

"Nearly 500,000 tons of sand will be lost in a decade due to the presence of the RAM facility," the study says. "Despite the uncertainty present in any numerical model, the results of all the simulations performed here showed persistent reduction of sediment load captured in the outfall channel due to the presence of the RAM facility."

The Coastal Protection and Restoration Authority this month turned down interview requests about the RAM Terminals agreement. But in a 2014 comment on the company's coastal use permit application, Buddy Caldwell, Louisiana's attorney general at the time, wrote that the agreement between the state and RAM Terminals would mitigate the terminal's effect on the land-building capabilities of the diversion.

Caldwell's letter says the agreement is in line with Louisiana's goals "to encourage full use of coastal resources while recognizing it is in the public interest of the people of Louisiana to establish a proper balance between development and conservation" and "minimize detrimental effects of foreseeable cumulative impacts on coastal resources from proposed or authorized uses."

Critics of the agreement say that setting a fine in advance, and an annual cap on fines, to allow disruption of a large coastal restoration project creates a dangerous precedent. Sierra Club organizer Grace Morris said the agreement should be dissolved.

"We need to see strong leadership to put coastal restoration first," she said. "I think Louisiana is going to reach a point when we can't have our coast and eat it, too."

Permit in limbo

It's unclear whether RAM Terminals still wants to build the Plaquemines coal export terminal. Calls and emails to its parent company, Thoroughbred Resources, have not been returned.

The Department of Natural Resources first issued a coastal use permit to the company in 2013. A year later, a state judge struck that permit down.

The department issued a new permit in March 2016 then revoked it in May 2016 after the Sierra Club's Delta Chapter, the Gulf Restoration Network and the Louisiana Environmental Action Network objected. To consider the permit once more, the department asked the company to

analyze how placing the coal terminal elsewhere on the river would affect wetlands and coastal restoration projects.

RAM Terminals responded the next month -- but without providing a new analysis. "RAM has provided sufficient information," the company's letter says, for the state to make a determination on the permit.

In July, the state again asked for more information. RAM has not responded, and since that time, the permit has been in a "holding pattern," Natural Resources spokesman Patrick Courreges said.

Cash flow problems

Adding to the uncertainty is the status of the company backing RAM Terminals. In 2011, Armstrong Energy, based in St. Louis, Mo., made a \$2.47 million capital contribution in RAM, according to a report filed by Armstrong with the U.S. Securities and Exchange Commission. In 2014, Armstrong Energy merged with Thoroughbred. But in its March 2017 SEC filing, Armstrong reported, "We have experienced recurring losses from operations, which has led to a substantial decline in cash flows from operating activities for the year ended December 31, 2016. Our current operating plan indicates that we will continue to incur losses from operations and generate negative cash flows from operating activities."

Scott Eustis, a coastal wetland specialist for the Gulf Restoration Network, said Louisiana's mistake was in not seeking more information from RAM Terminals before the coastal authority signed the memorandum of agreement with the company. Instead, the agreement became a political shortcut to a scientific and engineering issue, he said.

"We don't want to see the MOA as an alternative to the coastal management process," Eustis said. "The big picture is the coast. It is the land. There's no economy if there's no coast."

Plaquemines Parish Area Analysis

Plaquemines Parish is one of eight parishes comprising the New Orleans Metropolitan Statistical Area. It is an 844.6 square mile peninsula divided by the Mississippi River and surrounded by the Gulf of Mexico with Orleans Parish to the north, St. Bernard Parish to the east, and Jefferson Parish to the west. The topography of the parish is mostly sea-level or below sea-level land with vast amount of wetlands, hardwood swamps, bayous, and lakes. With its proximity to the Gulf of Mexico and its location on the Mississippi River Delta, Plaquemines Parish is rich with natural resources such as seafood, natural gas, petroleum, salt, and sulphur. Its rich alluvial soils and sub-tropical climate make Plaquemines Parish especially amenable for cultivation of agricultural products such as citrus fruits and vegetables.

Population

Plaquemines Parish LA Data & Demographics (As of July 1, 2017)

POPULATION		HOUSING	
Total Population	24,106	Total Housing Units	10,205 (100%)
Daytime Population: Workers	21,105	Owner Occupied HU	5,980 (58.6%)
Daytime Population: Residents	13,262	Renter Occupied HU	2,510 (24.6%)
Total Daytime Population (TDP)	34,367	Vacant Housing Units	1,715 (16.8%)
Ratio TDP/Total Population ¹	1.43	Median Home Value	\$213,086
Population in Households	23,834	Average Home Value	\$226,637
Population in Families	20,475		
Population in Group Qtrs	272	HOUSEHOLDS	
Population Density ²	31	Total Households	8,490
Diversity Index ³	57	Average Household Size	2.81
		Family Households	6,290
		Average Family Size	3
INCOME			
Median Household Income	\$55,649		
Average Household Income	\$72,145		
Per Capita Income	\$25,788		

NOTES

1. If the ratio of the TDP to Total Population is greater than 1, the location gains population during the day when commuting workers are present. If the ratio is less than 1, the location is more of a bedroom community where people commute to another place for work.
2. Population Density = Total Population per square mile
3. The Diversity Index is a scale of 0 to 100 that represents the likelihood that two persons, chosen at random from the same area, belong to different race or ethnic groups. If an area's entire population belongs to one race AND one ethnic group, then the area has zero diversity. An area's diversity index increases to 100 when the population is evenly divided into two or more race/ethnic groups.

GROWTH RATE / YEAR	2010-2017	2017-2022
Population	0.62%	0.41%
Households	0.69%	0.45%
Families	0.48%	0.32%
Median Household Income		2.38%
Per Capita Income		2.53%

Read more: http://www.city-data.com/county/Plaquemines_Parish-LA.html#ixzz50ac6Ch2Y

Plaquemines Parish, LA is the 40th largest county in Louisiana by population and contains 8 census places. The largest places in Plaquemines Parish by population are Belle Chasse, Port Sulphur and Empire.

Median resident age:  36.9 years

Louisiana median age:  36.5 years

Males: 11,834  (49.5%)

Females: 12,052  (50.5%)

Agriculture in Plaquemines Parish:

Average size of farms: 181 acres

Average value of agricultural products sold per farm: \$34,391

Average value of crops sold per acre for harvested cropland: \$2146.00

The value of nursery, greenhouse, floriculture, and sod as a percentage of the total market value of agricultural products sold: 37.16%

The value of livestock, poultry, and their products as a percentage of the total market value of agricultural products sold: 32.14%

Average total farm production expenses per farm: \$25,979

Harvested cropland as a percentage of land in farms: 6.00%

Irrigated harvested cropland as a percentage of land in farms: 10.34%

Average market value of all machinery and equipment per farm: \$33,301

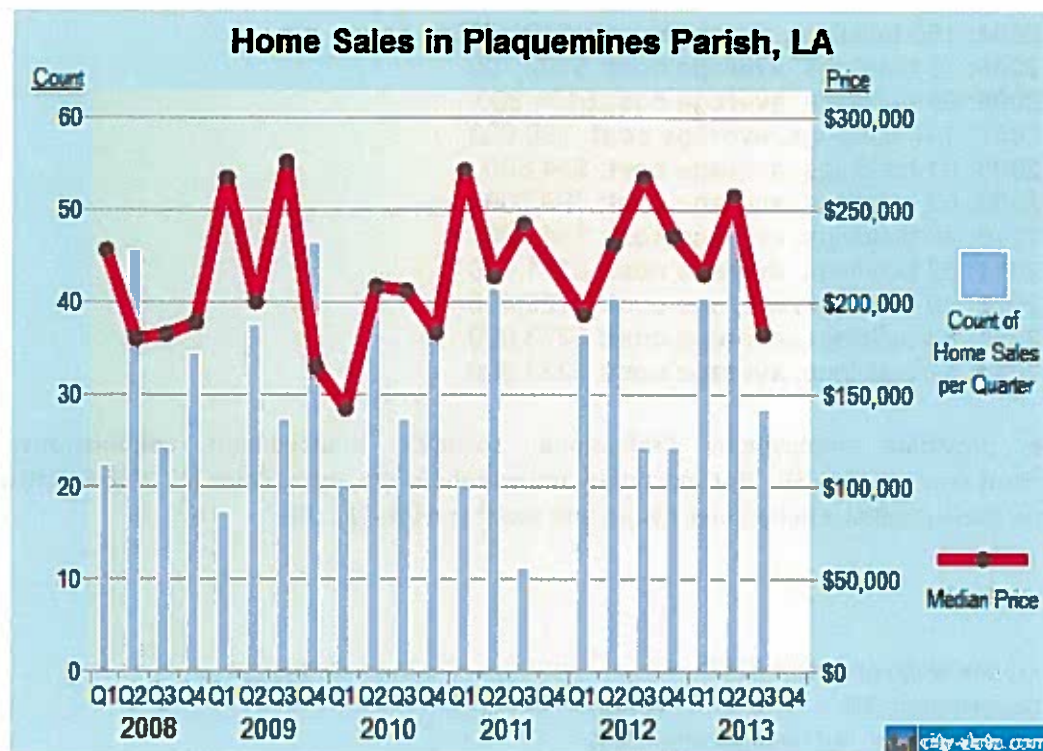
The percentage of farms operated by a family or individual: 89.58%

Average age of principal farm operators: 56 years

Average number of cattle and calves per 100 acres of all land in farms: 20.12

Vegetables: 113 harvested acres

Land in orchards: 1,155 acres



Mean price in 2016:

Detached houses: \$298,865

Here: \$298,865

State: \$210,583

Townhouses or other attached units: \$322,929

Here: \$322,929

State: \$219,575

In 2-unit structures: \$246,278

Here: \$246,278

State: \$308,068

Mobile homes: \$82,885

Here: \$82,885

State: \$73,199

Single-family new house construction building permits:

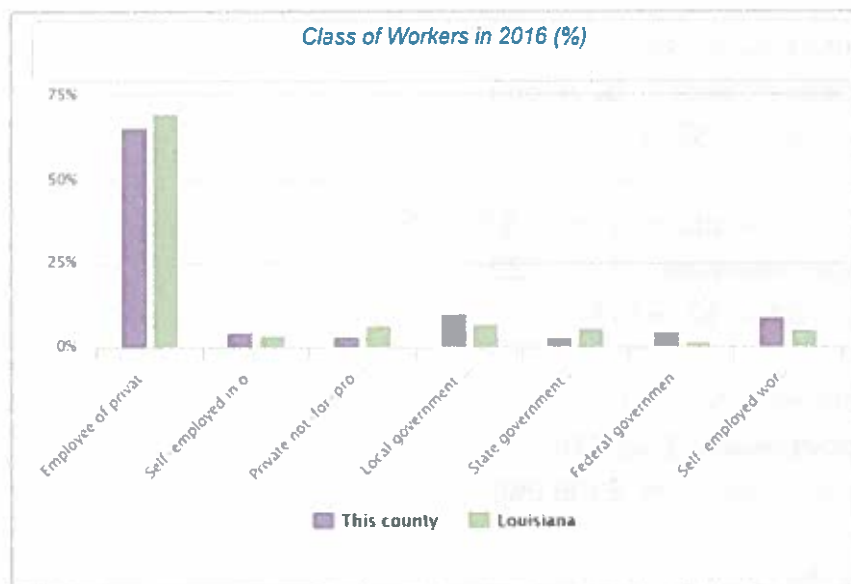
- 2004: 155 buildings, average cost: \$101,700
- 2005: 73 buildings, average cost: \$102,700
- 2006: 99 buildings, average cost: \$104,300
- 2007: 147 buildings, average cost: \$80,900
- 2008: 91 buildings, average cost: \$94,800
- 2009: 62 buildings, average cost: \$99,700
- 2010: 40 buildings, average cost: \$94,500
- 2011: 62 buildings, average cost: \$111,800
- 2012: 40 buildings, average cost: \$120,100
- 2013: 83 buildings, average cost: \$273,000
- 2014: 57 buildings, average cost: \$228,300

Industries providing employment: Professional, scientific, management, administrative, and waste management services (23.8%), Transportation and warehousing, and utilities (17.1%), Construction (15.7%), Wholesale trade (13.8%), Educational, health and social services (11.0%).

Type of workers:

- Private wage or salary: 62%
- Government: 2%
- Self-employed, not incorporated: 36%

Read more: http://www.city-data.com/county/Plaquemines_Parish-LA.html#ixzz50abMS2RK



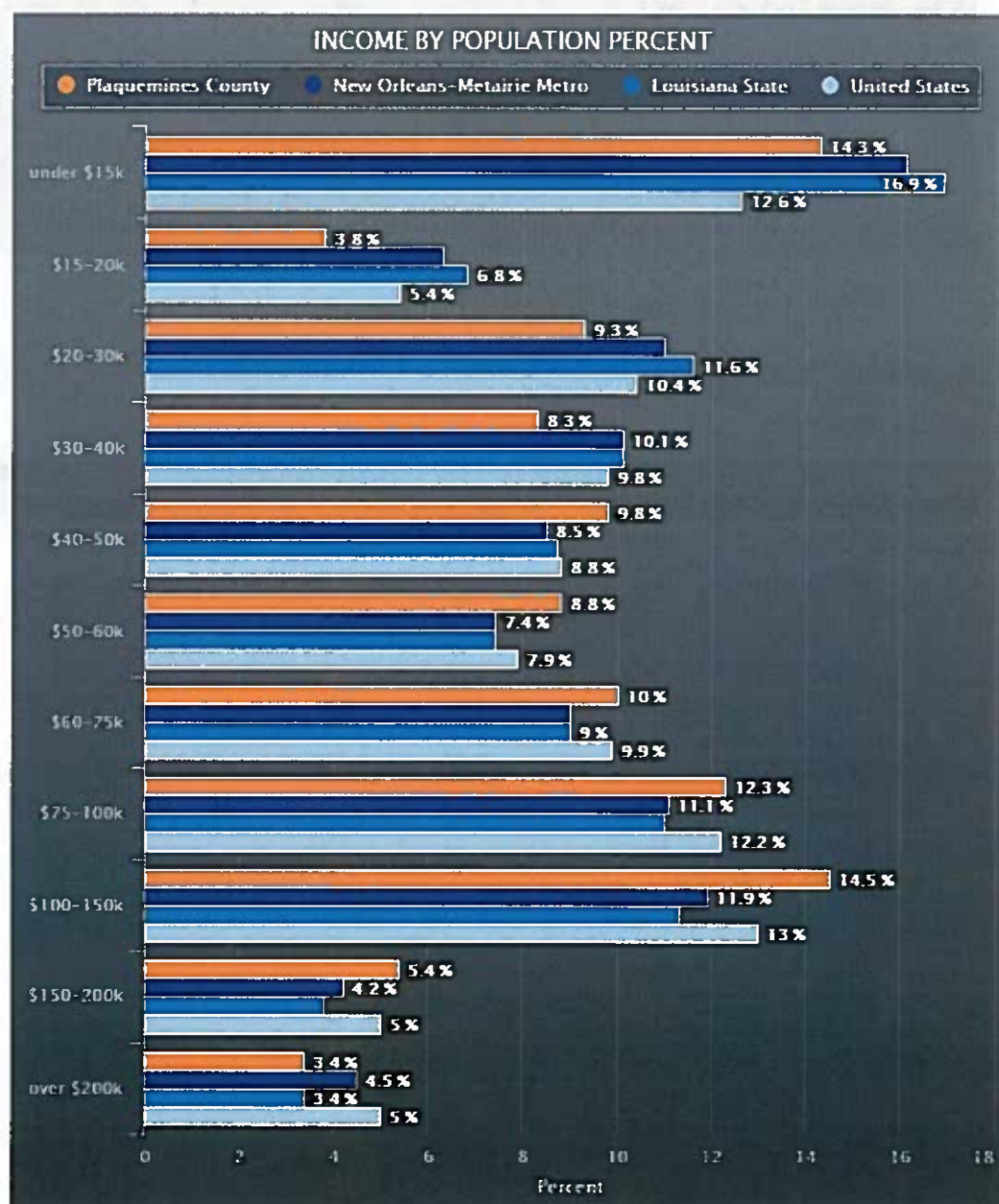
The unemployment rate in Plaquemines County, Louisiana, is 5.80%, with job growth of 1.17%. Future job growth over the next ten years is predicted to be 36.53%.

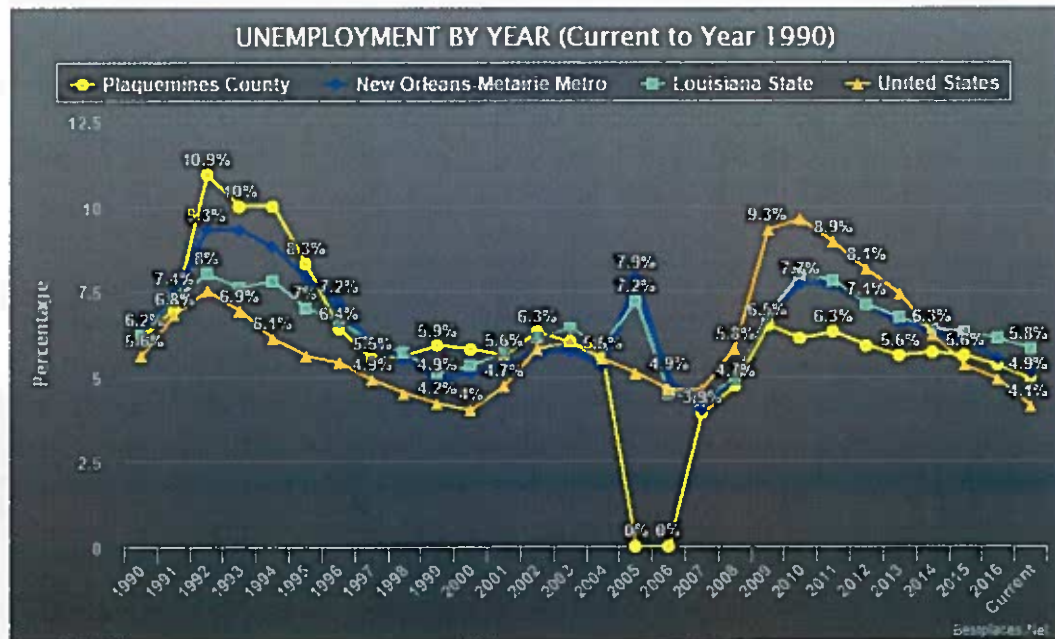
Plaquemines County, Louisiana Taxes

Plaquemines County, Louisiana, sales tax rate is 9.50%. Income tax is 4.00%.

Plaquemines County, Louisiana Income and Salaries

The income per capita is \$26,672, which includes all adults and children. The median household income is \$54,835.





Plaquemines Parish Louisiana Public Schools

Levels: Primary, Middle, High, Other

Regular Schools

Name	Level
Belle Chasse Academy	Primary
Belle Chasse High School	High
Belle Chasse Middle School	Middle
Belle Chasse Primary School	Primary
Boothville-Venice Elementary School	Primary
Phoenix High School	Other/Ungraded
South Plaquemines Elementary School	Primary
South Plaquemines High School	High

Private vs. public school enrollment:

Students in private schools in grades 1 to 8 (elementary and middle school): 243

Here: 8.4%

Louisiana: 17.4%

Students in private schools in grades 9 to 12 (high school): 270

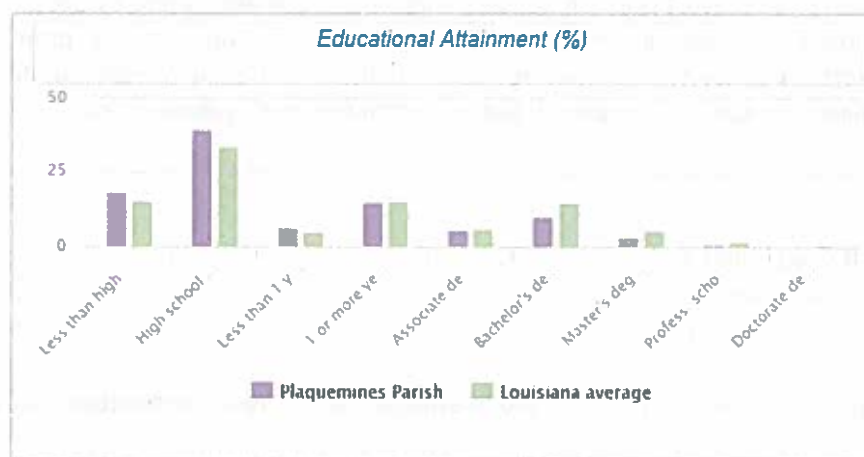
Here: 17.3%

Louisiana: 17.1%

Students in private undergraduate colleges: 325

Here: 31.1%

Louisiana: 17.3%



Plaquemines Parish is serviced by all major means of transportation. The two main highways through the parish include Louisiana Highway 23, serving the west bank of the parish, and Louisiana Highway 39, serving the east bank. Both highways provide access to the Interstate Highway 10, used by all major freight carriers throughout Plaquemines Parish. Freight rail is also available in Plaquemines Parish, with Norfolk Southern tracks located on the east bank and New Orleans & Lower Coast tracks located on the west bank.

Water transportation is especially important to Plaquemines Parish because of its location on the Mississippi River and the parish's dependence on natural resources. Situated on the Mississippi River delta, Plaquemines Parish is the gateway to 19,000 miles of the Mississippi River System. The Plaquemines Parish Port provides docking facilities near the Gulf of Mexico able to support foreign and domestic supertankers and cargo vessels.

The New Orleans International Airport, located in neighboring Jefferson Parish, is the nearest facility for general passenger and commercial air transportation services. It is served by all major domestic carriers, as well as several international airlines. Private air transportation services for Plaquemines Parish are provided by the New Orleans Lakefront Airport, located in nearby Orleans Parish, and Southern Seaplane, located within the parish. The Alvin Calendar Naval Air Station in Belle Chasse offers air service to military and federal agency aircraft.

Within the Parish itself is the Plaquemines Parish Comprehensive Care Center located in Port Sulphur. It provides emergency medical services to children and adults, basic diagnostic services, home health treatment and is staffed by a physician, nursing and support personnel 24 hours a day, seven days a week. As part of the metropolitan region, residents have access to the large number of medical facilities located in the region, including University Hospital in New Orleans, which is one of the largest teaching hospitals in the country, the clinics of both LSU and Tulane Schools of Medicine, the prestigious Ochsner Foundation Hospital and Clinics, and numerous other public and private medical facilities. The medical care in the New Orleans region is among the finest available in the world. Meadowcrest & West Jefferson hospitals are in close proximity to the westbank of Plaquemines.

Plaquemines Parish located in Southeast Louisiana is a World Class Fishing Destination. The mighty Mississippi River that runs through Plaquemines Parish makes it the Gateway to the Gulf of Mexico and the world. This area is fed by an abundance of both fresh and saltwater making our fishing habitats second to none, in the variety and size of our fish species. Plaquemines is also home to over 78 fresh and saltwater lakes and is spread out over hundreds of miles of coastline. Come to the premier fishing adventure destination in North America to see what our liberal limits and friendly people can do to satisfy your quest for Big Time Fishing. You can fish anywhere, but you catch fish in Plaquemines Parish

Parish Area

- Total - 2429 sq. miles
- Land - 845 sq. miles
- Water - 1584 sq. miles

Louisiana Highway 23 follows the bends of the Mississippi River down the Westbank. Running down the river north to south:

- **Belle Chasse** is the population and business center of the Parish, just down river from the Algiers section of New Orleans. Also home to a Naval Air Station. The only community in the Parish that might be considered a city.
- **Myrtle Grove** has a marina and a few restaurants and bars.
- **Woodland Plantation** Old plantation house (featured on 19th century engravings and the labels of bottles of "Southern Comfort" liquor) is now a bed & breakfast. Those not staying the night can take a look around the historic grounds and have a drink at "Spirits Hall", an old church building renovated for secular use.
- **West Pointe à la Hache** Ferry across the Mississippi River.
- **Port Sulphur** has a number of open businesses (full grocery, hardware, bank etc.) otherwise still rare below Belle Chasse.
- **Empire**
- **Buras** was a "ground zero" for the devastating Hurricane Katrina in 2005. A cafe and a couple small businesses in the area are open as of early 2010.
- **Fort Jackson** historic brick fort was site of an important battle in the American Civil War.
- **Boothville** town has the area's open school and heliport.
- **Venice** town at the end of Highway 23; the place furthest down the Mississippi River accessible by land.

Plaquemines Parish is not simply an industrial site for oil and natural gas business ventures. The parish's location on the Mississippi River delta offers local residents an abundance of recreational activities, including boating, hunting, fishing, and other sports diversions. Plaquemines Parish also hosts several festivals, which reflect the parish's heritage as a marine and agricultural community. These festivals include the Plaquemines Parish Fair & Orange Festival (featuring local citrus and seafood exhibits), the annual Fourth of July Celebration at Fort Jackson, the Empire South Pass Tarpon Rodeo (featuring the largest fishing rodeo in the parish), and annual Pirogue Races.

Neighborhood Analysis

A review of the comparable sale data indicates that it is dispersed over a wide geographic area which raises the question as to its comparability. While most neighborhoods are clearly defined by narrow boundaries and narrower demographics, the subject's neighborhood is linear and includes the Mississippi River from Baton Rouge to the end of the levee system in Plaquemines Parish.

Industries were attracted to the river initially for the obvious reasons. It provided an inexpensive form of transportation, land was abundant and relatively cheap and the river provided an unlimited source of process water.

As base industries become established, others moved in to take advantage of access to feedstocks. This led to a clustering effect around established infrastructure, rail and pipelines.

It also lead to competition from state and local municipalities trying to attract industry by offering tax incentives, TIF's and bond financing. Plaquemines Parish historically did not have an aggressive industrial development policy. Only recently has it started to actively pursue industrial investment. It is actively developing an industrial port and the subject should benefit from its proximity to same. While land in the area is abundant, land with the physical and hydrographic characteristics in the immediate neighborhood of the subject is getting more difficult to assemble.

Site Analysis

- | | |
|------------------------|---|
| General: | 598.6 acres gross, 550 acres net of levees and roads right of ways; situated on the right descending bank of the Mississippi River at River Mile 61 near Myrtle Grove, in Plaquemines Parish, Louisiana. |
| River Frontage: | 6,500 linear feet of contiguous frontage; upper 50% suitable for deep draft marine related development due to favorable hydrographic features. Downriver 50% is marginal in utility due to pressure eddy. Impact of proposed sediment control structure to be developed by CPRA on future maritime use of riverfront still unclear and to be determined. |
| Access: | <p>The primary means of access to south Plaquemines Parish on the westbank is Highway 23, a four lane medium divided roadway which extends from Belle Chasse to the north to Venice to the south.</p> <p>Marine access is provided by the Mississippi River. The upriver portion of the subject's riverfront exhibits features that could be favorable and support maritime related development. Such</p> |

development would require approvals from the U.S. Army Corps of Engineers and the River Pilots with the latter group recently becoming more vocal in their opposition to additional development activity along the lower Mississippi.

Rail: None currently available but could be extended from refinery upriver.

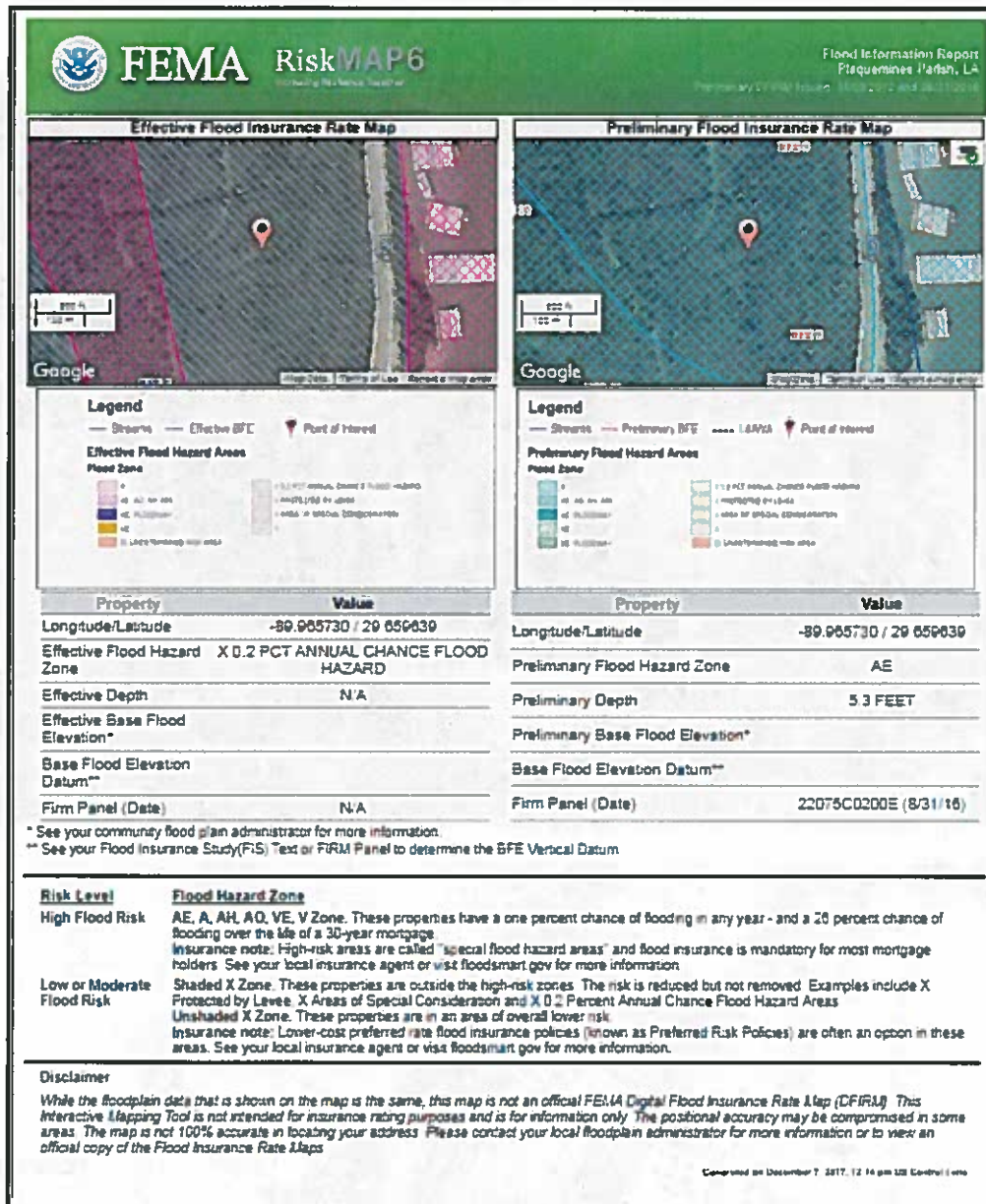
Flood Zone: FEMA designated Flood Zone A-E. Elevation is 1.0' for the batture.

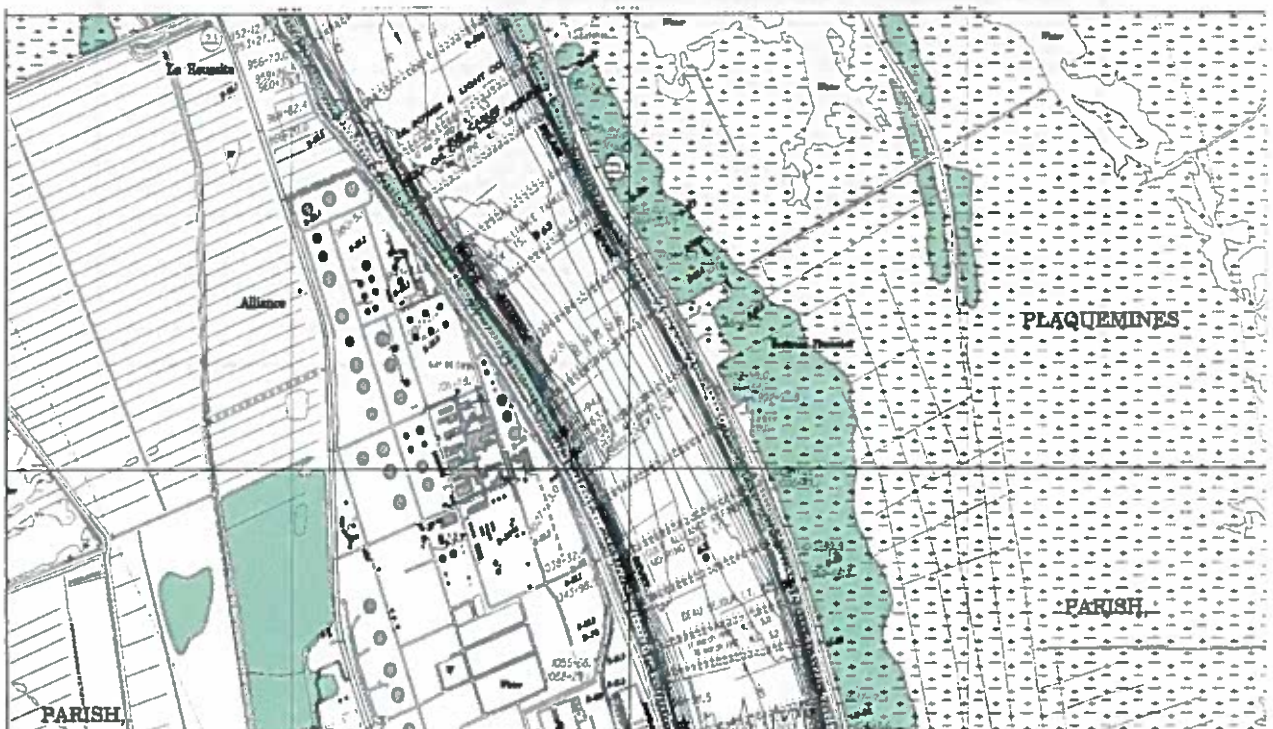
Utilities: Public utilities, including water, electricity and telephone are in place along Highway 23. Depending on the end user, utility services would likely have to be extended into the property with some services, i.e. sewer, provided by a packaged unit.

Servitude: A metes and bounds survey was not provided. Like most properties, the subject would be encumbered by typical utility servitudes and a servitude in favor of the USACOE for the protection levee. These types of encumbrances do not affect utility or value.

Zoning: FP-Flood Plain District

Environmental: A Phase One report was not available.





Zoning

According to the Comprehensive Zoning Code for Plaquemines Parish, the subject is zoned FP-Flood Plain. Excerpts from that zoning are reproduced for review.

The regulations in the FP—Flood Plain District are:

1. *Permitted uses:* This district is intended to comprise those areas which are subject to periodic or occasional inundation from stream overflows, storms, and tidal conditions and which are not within publicly owned hurricane protection levees and pump drainage systems. The use of property and buildings or structures in the FP—Flood Plain District shall be limited to the following, subject to the performance standards of Section VI, Subsection O:
 - (a) All of the following residential, commercial and industrial structures or buildings when they meet the requirements of the parish building and sanitary codes:
 - (1) Any use permitted in the RS-1, RS-2, R-1A, R-1AA, R-1AB, R-1B, R-1C, Single-Family Residential Districts and the R-2 Two-Family Residential District.
 - (2) Farming and the keeping of agricultural livestock when in compliance with the parish sanitary code.
 - (3) Public recreation.
 - (4) Fishing and/or hunting preserves or lodges.
 - (5) Camps, subject to applicable state and parish requirements.
 - (6) Boat house and boat docks.
 - (7) Boat repairs and shipyards.
 - (8) Marinas or yacht clubs.
 - (9) Oil field services and supply companies.
 - (10) Warehouses.
 - (11) Trapping and associated light industries.
 - (12) Mineral extraction and development of natural resources upon obtaining a parish permit.
 - (13) Marine services.
 - (14) Ice making plant.
 - (b) Mobile homes and all other commercial and industrial uses not listed above, subject to the approval of the council, with the exception that temporary construction trailers and/or buildings located within the flood plain district shall not require approval of the council.

Editor's note— Subsection M.1(b) of § VI was amended by Ord. No. 09-293, § 1, adopted Dec. 10, 2009.

2. *Conditional uses:* Other uses similar to those listed above as may be determined by the parish council.

Editor's note— Section VI.M.1. and 2. appear as amended by § 1 of Ord. No. 96-47, adopted March 14, 1996.

3. *Height, yard and area requirements:* See Table 1 at the end of this section.
4. *Reference to additional regulations:* The regulations contained in this article are supplemented or modified by regulations contained in other sections of this ordinance, especially the following:

Section	VI.
Subsection N—Off-Street Parking and Loading	
Section	VI.
Subsection O—Performance Standards	
Section	VIII.
Exceptions and Modifications	
Section	VIII.
Subsection 8—Regulation of Signs	

Editor's note— Subsection M of § VI appears herein as amended by § 14 of Ord. No. 513, adopted April 18, 1984. The subsection had previously been amended by § 8 of Ord. No. 145, adopted March 10, 1976; § 1 of Ord. No. 183, adopted April 19, 1978; §§ 7 and 8 of Ord. No. 213, adopted April 4, 1979. Because Ord. No. 513 substantially revised subsection M, it is not possible to individuate the effects of the previous amendatory ordinances.

N. Off-Street Parking and Loading Requirements.

1. General requirements:

- (a) Off-street parking space or area for one-family and two-family dwellings shall be provided on the same lot or plot of ground as the building to be served. The location of off-street parking space or area for other uses shall be not more than three hundred (300) feet distant from the main building provided, however, that the zoning classification of such land is the same as or less restrictive than the classification of the lot upon which the main use is located except as hereinafter provided. Such parking space or area shall be established by a recorded covenant or agreement as parking space to be used in conjunction with the principal use and shall be reserved as such through an encumbrance on the title of the property to be designated as required parking space or area, such encumbrance to be valid for the total period of the use or uses for which the parking is needed or in existence. Such agreement or covenant shall be duly recorded in the office of the Civil District Court, Parish of Plaquemines, and a certificate furnished the zoning administrator.
- (b) Parking requirements for two (2) or more uses of the same or different type may be satisfied by the allocation of a common or collective parking facility when such uses adjoin the area to be allocated for the parking facility. Such facility shall not be less than the sum of the requirements for the individual uses computed separately.
- (c) Area reserved for off-street parking or loading in accordance with the provisions of this section shall not be reduced in area or changed to any other use unless the permitted use which it serves is discontinued or modified except where equivalent off-street parking or loading space is provided.
- (d) For uses not specifically mentioned in this section the requirements for off-street parking and loading facilities for a similar use specifically mentioned in this section shall apply.

- (e) Where parking area is required for a multifamily, commercial or industrial use, and it abuts a district which is more restrictive, such parking shall be designed in accordance with section V, paragraph 7 of this ordinance.

Editor's note— Subparagraph (e) of paragraph 1. of subsection N of section VI was created by § VIII of Ord. No. 169, adopted Aug. 31, 1977.

2. *Off-street parking requirements:* Off-street automobile parking space or area shall be provided on any lot on which any of the following listed uses are hereafter established and in accordance with the schedule shown. When a use is increased in capacity by the addition of dwelling rooms, guest rooms, floor area or seats, the minimum off-street parking shall be provided for such increase. Parking space or area may be located on any portion of a lot except in the required front yard, with the following exceptions:
- (a) In commercial or industrial districts that abut on a highway where provision is made for cars to back onto the highway and further when barrier curbs are erected at entrances and exits.
 - (b) In commercial or industrial districts that front on secondary roads or streets where the zoning administrator after a determination of the effect of the amount of traffic on such secondary roads or streets by the safety engineer, may permit access to the street without provision for barrier curb.
 - (c) Unless permitted hereinafter in this ordinance. It shall be unlawful to convert an attached or detached garage or carport in a permanent residential living space unless the required off-street parking requirements can still be provided on any portion of a lot, except in the required front yard as herein provided.

Editor's note— Ord. No. 417, § 1, adopted Jan. 26, 1983, amended paragraph 2. of subsection VI.N., by rewriting the third sentence and adding subsubparagraph (a)—(c).

Use	Number of Spaces Required
Single Family Dwelling	1 space per dwelling unit
Multiple Family Dwelling	1½ space for each dwelling unit
Townhouse	1 space per dwelling unit
Mobile Home Courts	1 space per dwelling unit
Rooming & Boarding or Lodging Houses	1 space for each 2 bedrooms, plus 1 space for each resident owner or manager
Apartment Hotel	1 space for each dwelling unit, plus 1 space for each 2 employees
Hotel	1 space for each guest room, plus 2 spaces at office, plus 1 space for each 4 employees
Tourist Home, Motel or Motor Lodge	1 space for each room, 1 space for resident manager
Public Library, museum, art gallery, or community centers	1 space for each 400 sq. ft. floor area, plus 1 space for each 2 employees
Universities & Colleges	5 spaces per classroom, laboratory or other teaching room

Use	Number of Spaces Required
High Schools or Business Schools	3 spaces each classroom, plus 1 space for each 8 seats in main auditorium or 3 per classroom plus 1 for each 3 employees, whichever is greater
Jr. High Schools, Elementary or Nursery Schools	1 space each classroom, plus 1 space each 10 seats in main auditorium or 1 per classroom plus 1 for each 3 employees, whichever is greater
Dormitories, Fraternities & Sororities	1 space for each 400 sq. ft. of floor area, 5 spaces minimum
Industrial or Trade Schools	6 spaces for each classroom
Music and Dancing Schools	1 space for each 6 seats
Church or Temple	1 space for each 6 seats
Convents, Seminaries, monasteries, rectories, parsonages & parish homes	1 space for each 10 residents
Auditorium, theater, gymnasium, stadium, arena, convention halls, or other places of assembly	1 space for each 8 seats
Furniture or appliance store, machine equipment & auto and boat sale & services	1 space for each 400 sq. ft. of gross floor area, plus 1 space for each 2 employees
Office building, post office and studio	1 space for each 300 sq. ft. of gross floor area, plus 1 space for each 2 employees plus additional spaces upon recommendation of Safety Inspector
Banks	1 space for each 300 sq. ft. of ground floor area, plus 1 space for each 2 employees plus additional spaces upon recommendation of Safety Inspector
Restaurant or other establishment for consumption of food on the premises	1 space for each 150 sq. ft. of gross floor area, 5 spaces minimum
Retail store or personal service establishment	In C-1 District: 1 space for each 400 sq. ft. of floor area, 5 spaces minimum, plus additional spaces if prescribed by the Safety Inspector. In C-2 District: 1 space for each 300 sq. ft. of floor area, 5 spaces minimum, plus additional spaces if prescribed by the Safety Inspector

Assessment and Taxes

A new Constitution was approved by voters of the State of Louisiana on April 20, 1974. The tax provisions of the new Constitution provided that beginning January 1, 1978, residential properties and vacant land would be assessed at 10% of **Market Value** and other properties assessed on the basis of 15% of **Market Value** or cost (10% on land/15% on improvements). The new Constitution provided for reappraisal for assessment purposes at least once every four years. Millages throughout the State would be adjusted to provide level income to the respective parishes. Portions of the millage in the past have been designated to specific uses, such as levee districts, hospital districts, schools, etc., and the intent of the Constitution was that no parish or other entity would suffer a loss of revenue because of the equalization of the 1974 Constitution.

The Assessment and Taxes for the subject property for 2017 are as follows:

Ad Valorem:

Tax Bill Number: 1361000

Assessment:	
Land:	\$ 89,110.00
Total Taxes:	\$ 6,014.03

Tax Bill Number: 1621220

Assessment:	
Land:	\$ 2,006,200.00
Total Taxes:	\$ 135,398.44

The assessment implies a value, for ad valorem tax purposes, of \$20,953,100 for the combined tracts.

Highest and Best Use

"Highest and Best Use", as defined in *The Appraisal of Real Estate*, Eleventh Edition (1996), Appraisal Institute, is as follows:

"The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value."

Implicit in this definition is that the determination of highest and best use recognizes the contribution of a specific use to the surrounding community, as well as the benefits of that use to individual property owners. It must also be recognized that the determination of highest and best use results from the appraiser's judgment and analytical skill, and represents an opinion, not a fact to be found.

As presently configured, the subject site contains a net useable area of 550 acres situated between the Mississippi river and Highway 23. It has a total of 6,500 linear feet of contiguous frontage along the River but only the upriver approximately 3,250 linear feet is considered conducive to supporting maritime related activity.

By virtue of emerging trends in the immediate area, while uses were once speculative in nature, they are now more clearly defined as industrial.

Mr. Maynard J. "Sandy" Sanders
Plaquemines Port Harbor and Terminal District
December 7, 2017
Page 27

The size of the tract is suitable for industrial plant development, while allowing appropriate buffer areas. The hydrographics along the upper stretch of the river would support maritime development.

Transportation costs on the lower Mississippi River south of New Orleans provide competitive advantage over sites further upriver. Limited population density eliminates non-compatible proximate uses.

The subject's zoning allows for a wide range of industrial uses.

The subject property, by virtue of its size and orientation, would appeal to any number of industrial owner uses, each with a different test of financial feasibility and maximally productive use. In this case, an industrial use would be more marginally productive; produce a higher value than an alternative use, say residential.

As such, the highest and best use of the subject site, as if vacant, is future industrial use, as if and when demand dictates.

Valuation

Site Valuation

Site valuation is based upon the concept that the land is vacant and available for development to its highest and best use. The six procedures used in site valuation are all derived from the three traditional approaches to value.¹ They are:

- 1) **Sales Comparison** - Sales of similar vacant sites are analyzed, compared and adjusted to provide an estimate of value for the subject.
- 2) **Allocation** - Sales of improved properties are analyzed to establish a typical ratio of land value to total property value when sufficient comparable vacant land sales are not available.
- 3) **Extraction** - "Extraction is a variant of the allocation method in which land value is extracted from the sale price of an improved property by deducting the contributory value of the improvements."²
- 4) **Subdivision Development** - The total value of undeveloped land is estimated as if the land were subdivided, developed and sold. Development costs, incentive cost and carrying charges are subtracted from the estimated proceeds of sale. The net income projection is discounted over the estimated period required for market absorption of the developed lots. Subdivision analysis may involve residential, commercial, industrial or recreational land.
- 5) **Land Residual** - In the absence of adequate comparable land sales, the land residual technique can be used to estimate value when land is improved to its highest and best use, building value is known, stabilized, annual net operating income to the property is known and both building and land capitalization rates can be extracted from the market.
- 6) **Ground Rent Capitalization** - Ground rent can be capitalized at a rate extracted from the market.

The "**Sales Comparison**" is the most commonly used and preferred method to value land when comparable data are available."³

Sufficient vacant land sales were available for sales comparison. The comparable land sales are presented on the following pages.

¹ *The Appraisal of Real Estate*, Appraisal Institute, Tenth Edition, 1992, Page 302.

² *Ibid.*, 304.

³ *Ibid.*, 309.

LAND SALE NO. 1



LOCATION: Property is located on the right descending bank of Mississippi River at River Mile 56, west bank of Plaquemines Parish, Louisiana, containing 604 acres, more or less, with 7,115 linear feet of contiguous river frontage, as well as frontage along either side of Highway 23.

DATE: December 13, 2013

RECORDATION: Instrument No. 13005489, Plaquemines Parish, LA

VENDEE: Plaquemines Parish Port Terminal & Harbor District

SALE PRICE: \$9,500,000, cash to seller

LAND AREA: 604 acres

RIVER FRONTAGE: 7,115 linear feet

TOPOGRAPHY: High and wooded between Highway 23 and River; dry to semi-wet pasture.

REMARKS: The tract is undeveloped vacant land accessed by four lane State Highway 23. Site was previously under contract for \$11,500,000 for use as coal terminal.

**UNIT PRICE/ALLOCATION OF SALE PRICE
(based on negotiation between the parties):**

Batture Parcel	
7,115 L.F. x \$550/L.F	\$ 3,913,000
Upland Parcel	
128 Acres x \$26,754/Acre	\$ 3,492,000
Right of Way	\$ 0
Pasture West of Highway 23	
438 Acres x \$2,500/Acre	\$ 1,095,000
Total	\$ 9,500,000

LAND SALE NO. 2



LOCATION:	Westbank of Mississippi River at River Mile \pm 173 and also fronting Louisiana Highways 18, 3120 and 3089, Ascension Parish, Donaldsonville, Louisiana	
DATE:	February 5, 2014	
RECORDATION:	NA #008433738, Ascension Parish, LA	
VENDOR:	Marchand Viala/Riverdale, LLC, et al (Sidney Marchand, III)	
VENDEE:	CF Industries Nitrogen, LLC (Louis M. Frey, III)	
CONSIDERATION:	\$5,089,800	
TERMS:	All Cash	
LEGAL DESCRIPTION:	Tracts 1 and 2 on CF Industries Drawing No. C12-447-03, dated October 25, 2013 in Section 10, Township 11 South, Range 15 East, Ascension Parish, Louisiana.	
LAND SIZE:	Various dimensions	
LAND AREA:	3.44 acres	(Tract 2 – Batture)
	<u>80.16 acres</u>	(Tract 1 – Uplands)
	83.60 acres	(Total)

LAND SALE NO. 2**RIVER FRONTAGE:** ±153 linear feet**RAIL SERVICE:** None**UTILITIES:** All available**TOPOGRAPHY:** Batture – wooded; Uplands – cleared, pastureland**UNIT PRICE:** See Allocation

REMARKS: This property is oriented to the westbank of the Mississippi River just downriver of the CF Industries plant in Donaldsonville, Louisiana, at the junction of Louisiana Highway 3120, with Louisiana Highways 18 and 3089. The site possesses ±153 linear feet of frontage on the Mississippi River and has extensive road frontages on Louisiana Highways 18, 3120 and 3089.

REMARKS: This property, which was formerly a golf course, but was generally used as pasture at the time of sale, is located on vendee's downriver fence line. Its acquisition represents an enhancement of the plant's footprint, likely for plant expansion (\$2.1 billion dollar project currently under construction) or as buffer lands. Seller reports they planned to subdivide and develop the property, which is zoned MU-Mixed Use, by Ascension Parish, for multiple uses (commercial, industrial, etc.) if CF Industries had not acquired the land.

ALLOCATION OF SALES PRICE:

Batture Parcel	
±153 linear feet x \$600 per linear feet	\$ 92,000.00
Upland Parcel	
±80.16 acres x \$62,348 per acre	\$ 4,997,800
Total	\$ 5,089,800

VERIFICATION: Sidney Marchand - Vendor

LAND SALE NO. 3



LOCATION:	Westbank of Mississippi River near Edgard, Louisiana at River Mile 139.7. 1651 Highway 18, St. John the Baptist Parish, Louisiana.
DATE:	April 27, 2015
RECORDATION:	NA #0000335645-CO, St. John the Baptist Parish, LA
VENDOR:	Goldmine Plantation, Inc.
VENDEE:	Eurochem Louisiana, LLC
CONSIDERATION:	\$34,311,500
TERMS:	All Cash
LEGAL DESCRIPTION:	<p>Goldmine Property: A certain parcel or tract of land containing 910.74 acres, more or less, located in Sections 8, 9, 36, 116 & 117, Township 12 South, Range 19 East, Southeastern Land District, West of the Mississippi River, St. John the Baptist Parish, Louisiana, formerly portions of the Goldmine Plantation and being more particularly described, as follows:</p> <p>Together with and including all batture, alluvion and accretion appertaining thereto and all other lands between the above described immovable property and the mean low water mark of the Mississippi River, and all riparian rights in and to the above described immovable property.</p> <p>All as more fully shown and depicted on the survey entitled "Map Showing ALTA/ASCM Land Title Survey of Goldmine Plantation, located in Sections 8, 9, 36, 116 & 117, Township 12 South, Range 19 East, Southeastern Land District, West of the Mississippi River, St. John the Baptist Parish, Louisiana", prepared by L. Lyles Budden, P.L.S., dated April 23, 2015.</p>

LAND SALE NO. 3

SITE AREA: 910.74 acres
ZONING: I-3, Industrial
RIVER FRONTAGE: 4,780 linear feet
RAIL SERVICE: Missouri Pacific
TOPOGRAPHY: 100% cleared, level land in agricultural production.
REMARKS:

The above sale constitutes the transfer of Goldmine Plantation near the westbank town of Edgard, Louisiana. The primary site was 100% in sugarcane production at the time of sale. Goldmine was generally considered one of the premier sites on the River in terms of its utility and adaptability for industrial utilization. The entire site consists of high, well drained, developed agricultural land with a gently falling elevation toward the rear. The frontage along the River is along a stable reach of the River with close in deep water that will support deep draft vessels. The site was acquired by a Russian industrial conglomerate and will be developed with a fertilizer plant. The batture had been leased to Ingram Barge Lines who also held a right of first refusal to purchase Goldmine. When the right was not exercised, an automatic cancellation of the batture lease, without penalty, was triggered.

In addition to their acquisition of Goldmine, Eurochem acquired from the adjoining Lanaux family Tract SP-1 and Tract SP-2 (recorded NA #0000335639.CO) approximately 74.7 acres of land to assemble the land to provide the required right of way for a proposed rail spur. The tracts are identified as follows: Tract SP-1 (A portion of Glendale Plantation): A certain parcel or tract of land, containing 69.2 acres, more or less, located in Section 36, Township 12 South, Range 19 East, Southeastern Land District, West of the Mississippi River, St. John the Baptist Parish, Louisiana and being more particularly described, as follows:

Commence at an old grate bar at the section line between Sections 36, 117 & 116, Township 12 South, Range 19 East, thence proceed S 75°28'37" W a distance of 290.00'; thence proceed S 83°48'38" W a distance of 1216.30'; thence proceed N 88°18'22" W a distance of 384.21' to the Point of Beginning.

Thence proceed S 01°38'04" E a distance of 1641.59' to a point;

Thence proceed S 70°21'53" W a distance of 875.97' to a point on the northern boundary of the railroad right of way;

LAND SALE NO. 3

Thence proceed along the northerly right of way line N 79°31'34" W a distance of 892.19' to a point;

Thence proceed N 01°51'53" E a distance of 1755.97' to a point;

Thence proceed N 88°17'53" E a distance of 1102.33' to a point;

Thence proceed S 88°18'22" E a distance of 496.78' to the Point of Beginning.

Tract SP-2 (A Portion of Hymelia Plantation): A certain portion or tract of land, containing 5.5 acres, more or less, located in Section 89, Township 12 South, Range 19 East, Southeastern Land District, West of the Mississippi River, St. Charles Parish, Louisiana and being more particularly described, as follows:

Commence at an old grate bar at the section line between Sections 36, 117 & 116, Township 12 South, Range 19 East, thence proceed S 75°28'37" W a distance of 290.00'; thence proceed S 83°48'38" W a distance of 1216.30'; thence proceed N 88°18'22" W a distance of 384.21'; thence proceed S 01°38'04" E a distance of 1641.59' to the Point of Beginning.

Thence proceed S 26°25'06" E a distance of 549.45' to a point on the northern boundary of the railroad right of way;

Thence proceed along the northerly right of way line N 79°31'34" W a distance of 1087.62' to a point;

Thence proceed N 70°21'53" E a distance of 875.97' to the Point of Beginning.

As more fully shown and depicted on the survey entitled "Map Showing ALTA/ASCM Land Title Survey of tract SP-1 a Portion of Glendale Plantation, located in Section 36, T-12-S R-19-E and Tract SP-2 a Portion of Hymelia Plantation located in Section 89 T-12-S R-19-E Southeastern Land District, West of the Mississippi River, St. John the Baptist Parish and St. Charles Parish, Louisiana", prepared by L. Lyles Budden, P.L.S., dated April 23, 2015.

The purchase price of the irregularly shaped tract, \$3,500,000, was based on the same unit price per acre paid for the more functional Goldmine site.

LAND SALE NO. 3

ALLOCATION OF SALES PRICE:

Batture Parcel	
4,780 linear feet x \$700 per linear feet	\$ 3,346,000
Upland Parcel – Primary Site	
910.74 acres x \$34,000.37 per acre	<u>\$ 30,965,500</u>
Total	\$ 34,311,500

VERIFICATION DATA:

St John the Baptist Clerk of Court

NOTE:

A consultant to the sellers indicates both acquisitions were based on an effective unit price of \$37,675 per acre without any consideration on the part of the seller of any front land-rear land allocation.

LAND SALE NO. 4

**LOCATION:**

Property is located on the right descending bank of the Mississippi River at River Mile 39 east bank of Plaquemines Parish containing 66.5 acres, more or less, with 4,983 linear feet of contiguous batture, as well as frontage along Highway 23.

DATE:

August 16, 2016

RECORDATION:

Book 1363, Page 794, NA #16/003405

VENDOR:

Freeport McMoran Energy

VENDEE:

Stone Oil Company

CONSIDERATION:

\$10,000,000

TERMS:

Cash to Seller

LEGAL DESCRIPTION:

TRACT 1, MEASURING 4983' FRONT ON THE MISS RIVER X 167' TO MICHAEL ALEXIS SR PROPERTY X 353.48' X 3400' X 100.40' X 1089.92' X 374' (29.5 AC). BOUNDED ABOVE BY MICHAEL ALEXIS SR. BOUNDED BELOW BY MARY JO DEMANDRE.

TRACT FP1, LOCATED ON THE R/DESC OF HWY 23 1315.98' FRONT X 64.74' X 321.25' X 7.12' X 618.49' X 681.62' X 466.45' X 992.79' X 1489.83' IN THE REAR X 676.75' X 680.10' X 404.48' X 671.15' X 877.68' X 55.53' (66.498 AC). BOUNDED ABOVE BY FREEPORT MCMORAN. BOUNDED BELOW BY FREEPORT MCMORAN.

LAND SALE NO. 4**SITE AREA:**

70.902 acres gross
4.402 acres, right of ways & servitudes
66.498 acres usable

RIVER FRONTAGE:

25.9 acres of batture with 4,983 feet of contiguous close-in deep water frontage.

TOPOGRAPHY:

Formerly developed industrial site that is highly compacted.

IMPROVEMENTS:

-T-Head former liquid dock built in 1991 measuring 25' deep by 430' wide, capable of accommodating 12,000 DWT vessels. Purchaser will spend approximately \$500,000 to upgrade existing dock and add additional breasting dolphins.

-Four 100 foot diameter poured in place concrete tank foundations capable of supporting new tanks with capacity of 50,000 barrels of diesel each.

REMARKS:

The purchaser, Stone Oil Company, was prohibited from building new tanks at their existing terminal in Gretna. The seller, Freeport McMoran, has had this property on and off the market a number of times over the years but was reluctant to sell because of environmental issues associated with the prior sulphur terminal use. The buyer has a right of first refusal on the remaining developable property on site.

ALLOCATION OF SALES PRICE:

Batture Parcel	
4,983 linear feet x \$600 per linear feet	\$ 2,989,800
Upland Parcel	
66.498 acres x \$50,000 per acre	\$ 3,324,900
Residual to Improvements	\$ 6,314,700
Allocated to Dock	\$ 3,000,000
Allocated to Concrete Foundations	\$ 685,300

LAND SALE NO. 5**LOCATION:**

Property is located on the right descending bank of the Mississippi River at River Mile 53 on the westbank of the Mississippi River containing 1,372 acres, more or less, with 3,105 feet of non-contiguous feet of frontage along the Mississippi River, as well as frontage along either side of Highway 23.

DATE:

January 6, 2017

RECORDATION:

NA #17/0000100, Plaquemines Parish, LA

VENDOR:

Woodland Borrow Pits, LLC

VENDEE:

Plaquemines Port Harbor and Terminal District

CONSIDERATION:

\$7,305,160

TERMS:

Cash to Seller

LAND SALE NO. 5**LEGAL DESCRIPTION:**

Tract F-1—Mississippi River—Point Celeste Plnt, 753.4 acres
Tract DR-2A1-T17S R25E S2, 3, 4, Deer Range, 276.6 acres
Tract DR-4A-T17S R25E,26E,S1,21, Deer Range 128.652 acres
LA Hwy 23-Celeste Plnt, Lot 57B, 8.875 acres
Lot 58B, 8.308 acres
Lot 60B, 8.875 acres
Tract G, Mississippi River – T27S R26E, S16-21, 77.1 acres
Tract H, Mississippi River-T17S R26E, S20, Point Celeste Plnt,
5.5 acres

SITE AREA:

1,372 acres

RIVER FRONTAGE:

3,105 linear feet, non-contiguous interrupted by two outparcels.

TOPOGRAPHY:

High and wooded between Highway 23 and River; dry and semi-wet pasture.

REMARKS:

This tract is undeveloped vacant land accessed by four lane State Highway 23. It adjoins to the downriver side property already owned by the Plaquemines Port Authority and was acquired to complete an assemblage of a 1,200 acre tract for an existing option.

ALLOCATION OF SALES PRICE:

Tract 1	
370 acres x \$4,250 per acre	\$ 1,572,500
Tract 3	
3,105 feet of batture x \$223.20 per foot	\$ 693,060
976 acres main tract @\$5,000 per acre	\$ 4,880,000
26.6 acres piano keys @ \$6,000 per acre	\$ 159,600
TOTAL	\$ 7,305,160

LAND SALE NO. 6



LOCATION: Eastbank of Mississippi River in Iberville Parish at River Mile 190.5 and 193 near Carville, LA.

DATE: June 2, 2017

RECORDATION: Book 685, Page 247, Iberville Parish, LA

VENDOR: Eurochem Louisiana, LLC

VENDEE: Shintech Louisiana, LLC

CONSIDERATION: \$12,000,000

LAND SIZE:

Gross Area:		2,194 acres
Tract A:	Upland-High Parcel	710 acres
	Batture	4,263 linear feet
Tract B:	Agricultural/Speculative	1,484 acres

RAIL SERVICE: The main line of the CN is approximately one half mile to the north.

REMARKS: The sellers, Eurochem, a Russian fertilizer company, had acquired this site from the State of Louisiana. As a part of that sale, they committed to certain capital and job creation goals. They subsequently decided to relocate the project to St. John the Baptist (See Sale 14) and declare the property surplus.

LAND SALE NO. 6

The property was originally marketed in January of 2015 but the State insisted that any purchaser adhere to the original capital and job commitments made by Eurochem. Shintech, which has extensive investment in Iberville Parish, made a series of offers but Eurochem was unable to change the position of the State until 2017. Shintech had no immediate plans for the site but will hold it for future expansion. While the site is quite large, only the downriver component is oriented to deep water, industrial development.

ALLOCATION OF SALES PRICE:

Batture:	4,263 linear feet x \$600 plf =	\$	2,557,800
Uplands:	710 acres x \$12,000/acre =	\$	8,520,000
	1,484 acres x \$621.43/acre =	\$	922,200
		\$	<u>12,000,000</u>

LAND SALE NO. 7



LOCATION: Westbank of Mississippi River at River Mile 163, St. James Parish, Louisiana, also fronting on Highway 18 (River Road) and La. Hwy. 3127; traversed in rear by Union Pacific Railroad. Known as Winchester-Whitney Plantation.

DATE: October 23, 2017

VENDOR: Gavilon Agriculture, LLC

VENDEE: FG LA, LLC

SALE PRICE: \$34,652,500.00

LAND AREA:

Gross Area:	780.472 acres
Batture:	±20.00 acres
Highway 18:	7.132 acres
T & P Railroad ROW:	2.272 acres
Hwy. 3127:	<u>16.255 acres</u>
Net Usable Including Batture:	752.81 acres

RAIL SERVICE: Union Pacific

REMARKS: This site was acquired by an adjoining owner as part of an assemblage of approximately 2,000 acres.

ALLOCATION OF SALE PRICE:

Batture Parcel	
1,202 L.F. x \$600/L.F	\$ 721,200.00
Upland Parcel – River Road to Hwy. 37	
752.81 Acres x \$44,820.47/Acre	\$ 33,751,300
Rear Wetland Parcel	
190 Acres x \$1,000/Acre	<u>\$ 190,000.00</u>
Total	\$ 34,652,500

SUMMARY OF COMPARABLE LAND SALES

Date	Location	Consideration	Area (Acres)	Frontage	Unit Price Allocation/Acre		
					Upland	Batture	Pasture
12/13	Mile 56 WB Plaquemines Parish	\$9,500,000	604	7,115'	\$26,754	\$550	\$2,500
02/14	Mile 173 WB Ascension Parish	\$5,089,800	83.6	153'	\$62,348	\$600	---
04/15	Mile 139.7 WB St. John Parish	\$34,311,500	910.74	4,780'	\$34,000.37	\$700	---
08/16	Mile 39 WB Plaquemines Parish	\$10,000,000	66.498	4,983'	\$50,000	\$600	---
02/17	Mile 190-183 EB Iberville Parish	\$12,000,000	2,194	4,263'	\$12,000	\$600	\$621.43
10/17	Mile 163 WB St. James Parish	\$34,652,500	752.81	1,202'	\$44,820.47	\$600	\$1,000

Sale No. 1 is the acquisition by the Port of Plaquemines of the original site for the Port District. By way of background, this site was held under option by OilTanking for a price of \$11,000,000. The price was based on the following unit prices.

Batture 7,115' x \$700 per linear foot	\$4,980,008
Upland 128 acres x \$40,000 per acre	\$5,120,000
Pasture 438 acres x \$2,054 per acre	\$90,000

The option was dropped when OilTanking agreed to acquired United Bulk terminal across the River and forfeit their \$1,000,000 deposit.

The Port was able to acquire it at a discount from the French bank which was in a liquidation mode. This site is now under an option to lease to Venture Global to develop an LNG export facility.

Sale No. 2 is a relatively small 83 acre site with only 153 linear feet on the River. By itself, this parcel would not be considered an economic unit. The site was acquired by an adjoining owner to expand the footprint of an existing plant site. As such, the allocated unit price and overall unit price, \$63,495.50, may reflect premiums for both assemblage and size.

Sale No. 3 is the sale of Goldmine Plantation on the westbank of St. John the Baptist Parish. This is a particularly large site with 910 acres and 4,780 acres of deep draft frontage along the river. The unit price paid is somewhat distorted by the large size and the fact that the seller gave no consideration to any front land, rear land allocation as is typically the case. The overall acquisition was based on a unit price of \$37,675 per acre. This site was acquired by the seller involved in Sale No. 6.

Sale No. 4 is an excellent small site downriver from the subject in Port Sulphur, Louisiana. This property had been on and off the market for a number of years. It was part of the former Freeport McMoran Sulphur terminal. After extensive remediation, a portion of the former terminal, riverfront and exiting dock was sold to John Stone Oil who will use the terminal to fuel his own offshore bunkering vessels. After an allocation for the value of the existing marine improvements and tank foundation, the allocated value of the site, based on the

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sale, is \$50,000 per acre for the upland parcel and \$600 per front foot for the 4,983 linear feet of deep draft riverfront.

Sale No. 5 is an Iberville Parish site on the eastbank of the river between Mile 190 and 193. This is a very large site on an outside bend in the River with very marginal navigable waterfront. The site was originally acquired to construct a fertilizer plant with the State providing a lucrative incentive package. When the plans shifted to the property conveyed in Sale No. 3, the State refused to release the potential purchaser from employment and capital commitments that Eurochem had made. Negotiations stalled for more than a year until the State finally relented. Shintech, with extensive investment in Iberville Parish, has no immediate plans for the site but will hold it for future expansion. The price paid represents speculative value.

Sale No. 6, the most recent sale, is a 752.81 acre site on the westbank of St. James Parish. This site had been previously acquired by the seller in the following transaction.

LOCATION: Westbank of Mississippi River at River Mile 163, St. James Parish, Louisiana, also fronting on Highway 18 (River Road) and La. Hwy. 3127; traversed in rear by Union Pacific Railroad. Known as Winchester-Whitney Plantation.

DATE: January 11, 2013

VENDEE: Gavilon Agriculture, LLC

SALE PRICE: \$10,405,117.80, cash to seller

LAND AREA:

Gross Area:	780.472 acres
Batture:	±20.00 acres
Highway 18:	7.132 acres
T & P Railroad ROW:	2.272 acres
Hwy. 3127:	<u>16.255 acres</u>
Net Usable Including Batture:	752.81 acres

RAIL SERVICE: Union Pacific

REMARKS: The purchaser, Gavilon, is a leading commodity management firm connecting produce and consumers of feed, food, and fuel in the U.S. and abroad. A major grain, fertilizer and crude oil company. Gavilon was previously part of ConAgra. Gavilon owns approximately 150 plants in South America.

ALLOCATION OF SALE PRICE:

Batture Parcel	
1,202 L.F. x \$600/L.F.	\$ 721,200.00
Upland Parcel – River Road to Hwy. 37	
752.81 Acres x \$12,611.31/Acre	\$ 9,493,917.80
Rear Wetland Parcel	
190 Acres x \$1,000/Acre	<u>\$ 190,000.00</u>
Total	\$ 10,405,117.80

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Gavilon had intended to construct a grain elevator on the property but was approached by FG LA., LLC and agreed to sell. FG LA is the adjoining owner that is trying to assemble additional land for their proposed plastics plant.

Again, the unit price paid in the 2017 sale does not reflect typical market appreciation over time since January of 2013 but the significant premium that can be associated with assembling sites along the River.

Based on the foregoing, two sales stand out relative to the subject.

	Subject	Sale No. 3	Sale No. 7
Size	550 acres	910.74 acres	752.81 acres
Linear Feet	3,250 linear feet	4,780 linear feet	1,202 linear feet
Allocated Unit Price			
Land		\$34,000.37	\$44,820.47
Batture		\$700.00	\$600.00

An upward adjustment would be warranted for Sale No. 3 due to its larger size relative to the subject. Given that all these sites are large, the adjustment for size would be minor. Relative to Sale No. 3, a significant assemblage premium was paid in Sale No. 7. An adjustment would be indicated for the inferior amount of frontage but this negative is mitigated by the assemblage.

Given the available data, the market value of the subject property should fall between the range produced by Sales 3 and 7 and is concluded to be as follows:

550 acres x \$38,500 per acre	\$21,175,000
3,250 linear feet of batture (Upriver) x \$600.00 per linear foot	\$1,950,000
3,250 linear feet of batture (Downriver) x \$100.00 per linear foot	\$325,000
Total	\$23,450,000

The total equates to \$42,636 per acre which is in line with the unallocated prices paid in the recent sales.

The appraisal has been prepared in conformity with, and subject to, the reporting requirements of the Uniform Standards of Professional Appraisal Practice, the Uniform Standards of Professional Appraisal Practice (USPAP), Title XI of the Financial Institutions Reform, Recovery and Enforcements Act of 1989 (FIRREA), the Office of the Comptroller of Currency, and the Louisiana Certified Real Estate Appraisers Law.

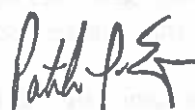
The appraisal report and the analyses contained herein are made under the assumption that there are no adverse environmental conditions affecting the subject property and that there are no hazardous materials on or near the subject property that would cause a loss in value.

The appraisal assignment was not based on a minimum valuation, a specific valuation or the approval of a loan. The undersigned has prepared narrative appraisals on numerous properties similar in scope to the subject.

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I hope this report adequately serves your purposes. If there are any questions, or if I can be of further assistance, please do not hesitate to call. Thank you for the opportunity to be of service.

Respectfully submitted,



Patrick J. Egan, CRE
Louisiana State Certified General Real Estate Appraiser,
Certificate #0107

PJE/cs